

**STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION**

NORTH SHORE GAS COMPANY)	
)	
Proposed General Increase In Rates For Gas Service.)	No. 07-0241
)	
)	No. 07-0242
THE PEOPLES GAS LIGHT & COKE COMPANY)	
)	
)	(consolidated)
Proposed General Increase In Rates For Gas Service.)	
)	

**THE PEOPLE OF THE STATE OF ILLINOIS’
MOTION FOR ORAL ARGUMENT**

The People of the State of Illinois, by and through Lisa Madigan, Attorney General of the State of Illinois (“the People”), pursuant to the Rules of Practice of the Illinois Commerce Commission (“the Commission”), 83 Ill. Admin. Code 200.190 and 200.850, hereby request that the Commission grant oral argument in the above-captioned docket. In support of their motion, the People states as follows.

1. In this case, Peoples Gas Light & Coke Company (“PGL”) and North Shore Gas Company (“North Shore”) are requesting rate increases \$94.8 million and \$3.5 million respectively.

2. Included within the filing are several unorthodox requests for rider recovery of lost revenues per customer, infrastructure investment, uncollectibles, and energy efficiency program expenses that would change customer rate levels on a monthly basis *between* rate cases. In addition, the Companies’ rate design proposals would more than double the customer charge for Peoples’ residential heating customers and increase North Shore’s residential heating customers’ monthly charge by 88 percent. PGL Ex. VG-1.4; NS Ex. VG-1.3.

3. As made clear by these proposals, as well as the testimony provided by the outside expert hired by the Companies to make the case for the unorthodox rider treatment, Peoples and North Shore hope to convince the Commission that they must be *guaranteed* recovery of their “margin revenues”, and accordingly insulated from nearly any and all business risk. This proposal to radically depart from traditional ratemaking deserves careful Commission consideration. Oral argument presented by all parties to the case will arguably assist the Commission in the determination of these potentially precedent-setting issues.

4. As evident in the recently filed rate increase requests of both ComEd and all six of the downstate Ameren utilities, which include several proposals for rider recovery of expenses and revenues that to date have been incorporated in a utility’s base rates, the Commission’s decision in this docket will likely influence the arguments for and against these rider proposals in future Commission proceedings.

WHEREFORE, The People of the State of Illinois respectfully request that the Commission grant oral argument in this proceeding.

Respectfully submitted,

PEOPLE OF THE STATE OF ILLINOIS

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